



County of Los Angeles CHIEF EXECUTIVE OFFICE

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June 25, 2012

To: Supervisor Zev Yaroslavsky, Chairman
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

A handwritten signature in black ink, appearing to read "W. T. Fujioka", is written over the printed name and title.

LOS ANGELES NETWORK FOR ENHANCED SERVICES - QUARTERLY UPDATE

On May 31, 2011, the Board authorized the Chief Executive Officer (CEO), as Chair of the Los Angeles Network for Enhanced Services (LANES) Board, to execute and implement the terms of the Cal eConnect (CeC) Health Information Exchange Expansion Grant Agreement on behalf of LANES, and accept grant funds in the amount of \$996,070 for the Health Data Highway Project (HDHP), effective upon Board approval for the term of June 2011 through November 2012, with approval by County Counsel and prior notification to the Board; and authorized the CEO to execute future amendments for modifications needed to comply with changes in State or federal laws or regulations, changes to line items in the budget and/or the timeline/deliverables as required for project implementation, and no-cost extensions if needed for project completion, in consultation with County Counsel and prior notification to the Board. In addition, the Board instructed the CEO to provide quarterly updates.

This is to provide our fourth quarterly report.

BACKGROUND

In our last quarterly report we provided revised deliverables, timelines and a budget for the LANES Health Data Highway Project (HDHP) based on discussions the LANES Board and staff had with both CeC and representatives of the LANES prior technology partner, Western Health Information Network (WHIN). As we indicated then, the revisions were necessary to address the lack of progress on the grant deliverables and projected cost overruns experienced to that point and as reported in our earlier quarterly

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reports. These revisions included the reorientation of some project deliverables so LANES could take more control over the resources in the project, and hire a Project Manager (PM) to oversee and ensure the project deliverables, timelines, and budget are met, and obtaining contract staff to perform project deliverables, as needed.

We also reported at that time, LANES and WHIN were considering a merger of the two Boards and infrastructures as a single Health Information Exchange (HIE) entity. However, after further review and discussions, including consultation with CeC staff, the LANES Board did not proceed in this direction.

CURRENT STATUS AND NEXT STEPS

Consistent with the revised LANES HDHP implementation plan, the LANES Board hired its PM, Irene Smith, on April 30, 2012. Ms. Smith has extensive experience in project management and health information technology, and will directly manage the project deliverables for the LANES HDHP, as well as the project deliverables for the Community Clinic Phase II Project, mentioned further below.

Further, despite concerted efforts to implement the LANES HDHP project plan in partnership with WHIN, the LANES Board ultimately determined to contract directly with the technology vendors to implement the project. This revised approach was discussed with and approved by CeC. Therefore, on April 13, 2012, the LANES Board directed their fiscal intermediary, Public Health Foundation Enterprises (PHFE), to exercise the 30-day termination for convenience clause in the contract between PHFE and WHIN. Termination of WHIN's contract was effective on May 12, 2012.

As a result, LANES Interim Executive Director (ED), Debbie Rieger, and PM, Irene Smith, are working with PHFE to establish agreements with vendors for the following technology resources:

- Core HIE Clinical Data Exchange Layer – Mirth Corporation: Mirth is an integration and HIE vendor and provides the core HIE technology to support the exchange of clinical data for patients within the LANES HIE with any participating provider. Mirth provides both the software and hardware to support the HIE functions, as well as the related hosting services in their data center. The LANES ED and PM will oversee Mirth's work. This agreement was recently executed.
- LANES HDHP Enterprise Master Patient Index – The LANES HIE needs an enterprise master patient index (EMPI) in order to uniquely identify patients within the HIE to ensure the correct data about each patient is shared with participating providers. The LANES ED and PM will oversee the chosen vendor's work. The

LANES team is evaluating options for obtaining an EMPI, and will be working toward establishing an agreement with a selected vendor. As the Board is aware, the County is undertaking its own EMPI implementation project. The LANES EMPI is distinct from the County's EMPI, and will not be co-located with the County.

- **Data Center Hosting** – The data center hosting vendor will provide and support the hardware for the LANES EMPI platform, if necessary, it will be located at an off-site data center facility. In addition, the hosting vendor will provide staffing and other services to support and maintain the system. The LANES ED and PM will oversee the services provided by the data center hosting vendor. The LANES Technical Advisory Committee is currently reviewing possible vendors that can meet the EMPI hosting requirements.
- **Integration Staffing Resources** – The integration staffing resources are needed to develop, program, and implement the various information system interfaces that are required to connect the LANES participant's health information systems to the LANES HIE. There are different systems in use among the various participants and each interface must be custom built and tested to ensure they work for each participant. The LANES ED and PM will oversee the integration work as well. The LANES Technical Advisory Committee is looking at vendor options to obtain the integration resources.

In view of these substantial changes, the LANES Board, ED and PM, are re-evaluating the project deliverables, timeline and budget for revisions consistent with the project scope. The LANES Board intends to complete the project as quickly as possible; however, in order to do so, per the Board's delegation to the CEO on May 31, 2011, and in consultation with CeC, we will be working with CeC to execute a no-cost extension to the grant agreement to accommodate the revised timeline, as necessary. The priority continues to be connecting all Department of Health Services (DHS) facilities to the LANES HIE, along with as many Community Clinics as possible within the available grant funds.

SUSTAINIBILITY COMMITTEE

In our third quarterly update dated March 2, 2012, we indicated that LANES established a Sustainability Committee with representatives from the CEO, Chief Information Office (CIO), L.A. Care, Gateways Hospital, and Community Health Alliance of Pasadena. The committee meets on a bi-weekly basis and the goal of the committee is to identify a sustainability model to be presented to the LANES Board. We will update this Board on the sustainability model once it has been developed and is mature enough to be shared.

COMMUNITY CLINICS PHASE II PROJECT

In our second quarterly update dated December 19, 2011, we indicated that the Health-e-LA Board voted to dissolve itself and requested that the LANES Board accept oversight of the Health-e-LA projects, including the previously received grant funds from Pacific United to begin the Encounter Summary Sheet (ESS) Phase I project and the \$1.5 million that the Board approved for Phase II of the project to allow for interfaces of additional community clinics with DHS and the LANES HDHP.

With the present opportunity to connect the community clinics to the LANES HDHP rather than the interim ESS view, we have revised the project name to the Community Clinics Phase II Project (Phase II), instead of the Encounter Summary Sheet Phase II Project. We also reported that PHFE would remain the fiscal intermediary for the Phase II project for project management, development, implementation and evaluation services. As noted above regarding the LANES HDHP, PHFE also hired Irene Smith to provide project management services for the Phase II project, since it is now aligned with the LANES HDHP project. This will allow both projects to benefit from her knowledge and experience and will ensure coordination between the related projects. The status of the project is as follows:

- Instead of enhancing the ESS as originally reported and consistent with the authority delegated to DHS to leverage funding and technology improvement opportunities through LANES, the Phase II project will now connect the next set of Community Clinics directly to the LANES HIE to improve and expand the information that is shared between DHS and the Community Clinics by utilizing the more robust capabilities of the LANES HIE infrastructure.
- Under this revised scenario, the pertinent data regarding the Community Clinic's patients will be shared in a secure fashion with the LANES HIE, and information about DHS responsible patients will be routed from the LANES HIE to the DHS Enterprise Data Repository (EDR) in order to complete the DHS patient information records.
- The LANES Technical Advisory Committee is working with PHFE to establish the necessary agreements with technology and staffing vendors, including Mirth Corporation, to connect with the LANES HIE and integration staffing to develop system interfaces between the Community Clinics and the LANES HIE.
- DHS will build additional interfaces from the LANES HIE to the DHS EDR in order to receive the data back related to DHS responsible patients.

- The project is expected to be completed by February 2013. Per the Board's delegated authority provided to DHS on May 17, 2011, DHS will be working with PHFE to execute a no-cost extension to the Phase II agreement beyond the original end date of December 31, 2012, in order to accommodate the revised timeline.

DHS PARTICIPATION IN LANES

As indicated in our third quarterly report, LANES has established a policy committee to evaluate privacy and security policies and to review current data use agreements in order to develop the standard LANES data use agreement which will need to be signed by participants of the LANES HIE. County representatives, including staff from the CEO, CIO's, Chief Information Security Officer, County Counsel, Auditor-Controller's County Health Insurance Portability and Accountability Act (HIPAA) Privacy Office, the Department of Mental Health, and DHS' HIPAA Privacy Officers, are participating in the work of the LANES policy committee in order to ensure the standard LANES data use agreement meets the State, federal, and County's legal requirements. In order to participate in the LANES HIE, DHS will need to obtain Board approval of the data use agreement and delegated authority to execute it. We will brief the Board offices on these policies and agreements once they are complete. We anticipate presenting the Agreement to the Board in early fall 2012.

County representatives from the CEO, CIO and County Counsel continue to work on the process for purchasing the required County EMPI licenses, and we will provide an update in our next quarterly report.

CAL eCONNECT ORGANIZATIONAL CHANGE

On May 16, 2012, the California Health and Human Services Agency (CHHS) announced that the Institute for Population Health Improvement (IPHI) has been selected to implement the HIE programs under the State's Cooperative Grant Agreement with the federal Office of the National Coordinator for Health Information Technology (ONC), which includes the grant funding for the LANES HDHP. CHHS will work in partnership with CeC to transition the HIE programs to the IPHI, which is part of the University of California at Davis (UC Davis) Health System. CeC has indicated that this transition should not impact the grant funding for the LANES HDHP. However, since the grant funding is currently being provided to the County, on behalf of LANES, pursuant to an executed Agreement with CeC, we are seeking further clarification from the State and CeC on the timing of this transition. This will help us determine whether and when we may need to return to the Board for approval of a replacement Agreement with either the CHHS or UC Davis for any portion of the HIE expansion grant.

ADDITIONAL GRANT FUNDING OPPORTUNITIES

CeC has recently offered three additional grant funding opportunities for Health Information Exchange initiatives. The grant opportunities are for Planning, Infrastructure, and Innovation, and Cycle 1 of these grants covers September 2012 through February 2013, while Cycle 2 covers December 2012 through May 2013. Upon review, the LANES Board decided the Infrastructure grant was the best fit for LANES. The Infrastructure grant aims to fund HIE initiatives with high population impact and/or broad geographic scope that are ready to make investments in technology infrastructure enabling HIE across unaffiliated organizations and, wherever possible, distinct electronic health record vendor systems.

LANES has submitted a Letter of Intent (LOI) for a Cycle 1 Infrastructure grant in the amount of \$500,000. The \$500,000 would be used to cover additional costs for integration staffing resources, hardware for the LANES HIE EMPI and health data exchange platforms, and a portion of the EMPI hosting services. On June 19, 2012, CeC advised LANES that our LOI was approved, and CeC is requesting a full proposal to be submitted for consideration by July 17, 2012. The grant requires a 50 percent match of the CeC grant award, which will be provided by identifying up to \$250,000 of the \$1.5 million Community Clinics Phase II project funding. As the Board is aware, \$750,000 of the \$1.5 million was previously identified as matching funds for the LANES HDHP project.

LANES may also submit an LOI for a Cycle 2 Innovation grant, and we will provide more information in that regard in our next quarterly report.

CONCLUSION

As noted above, LANES is moving forward with a more direct management of the HDHP project in order to ensure that the project and its deliverables are accomplished in a more timely manner by the end of the grant period in November 2012. LANES is working closely with CeC on the project status and will be providing CeC with a revised deliverable timeline and budget for their review and approval shortly, in order to obtain additional distributions of the grant funds.

LANES will continue working with PHFE to establish the necessary contracts with contract staffing and technology vendors necessary to move the project forward to a successful conclusion.

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Lastly, as noticed above, the CEO and DHS will be working with CeC and PHFE, respectively, to execute no-cost extensions to their respective agreements.

We will report additional progress on these projects and provide the updated timeline for accomplishing deliverables and the revised budget in our next quarterly report to your Board by August 31, 2012.

If you have any questions regarding this matter, please contact Sheila Shima at (213)974-1160 or sshima@ceo.lacounty.gov or Kevin Lynch, DHS Chief Information Officer, at (213) 240-8128 or klynch@dhs.lacounty.gov.

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062512_HMHS_MBS_Lanes Quarterly Update